

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ITEM #1: Repeals the Once-in-a-lifetime Limit on California Work Opportunity and Responsibility to Kids (CalWORKs) Homeless Assistance (HA) Payments

The CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held June 27, 2017, as follows:

Office Building # 8
744 P St. Room 103
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The purpose of the hearing is to receive public testimony, not to engage in debate or discussion. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail, or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on June 27, 2017.

Following the public hearing CDSS may thereafter adopt the proposals substantially as described below or may modify the proposals if the modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period, and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at <http://www.dss.cahwnet.gov/ord>. Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below. Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below:

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CHAPTERS

Manual of Policies and Procedures, Chapter 44-212

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Assembly Bill (AB) 1603 made changes to the CalWORKs HA Program that became effective January 1, 2017. The CalWORKs HA program serves CalWORKs recipients who are homeless or at risk of homelessness. The CalWORKs recipients, or apparently eligible CalWORKs applicants who meet the criteria for being homeless, are eligible for payments to stay in temporary shelter (e.g., a motel) for up to 16 consecutive days. Following the 16-day period, even if the assistance unit (AU) did not receive all 16 days, the temporary shelter benefit is considered exhausted.

While receiving temporary HA, recipients are required to search for permanent housing. Once permanent housing is located, recipients may be eligible to receive permanent HA within one working day of the request. Permanent HA may consist of assistance with the security deposit, which may include last month's rent, with the total not to exceed twice the amount of the monthly rent. The recipient may also receive assistance with the utility deposit, if required. For recipients facing eviction, HA may provide up to two months of rent arrearages. Rent and rent arrearages may not exceed 80 percent of the AU's total monthly household income.

These proposed regulations amend CalWORKs regulations to comply with AB 1603 by repealing the once-in-a-lifetime limit placed on temporary and permanent HA benefits. Under the new law, both temporary and permanent HA shall be available to an eligible AU once every 12 months, or more frequently with exceptions.

In addition, the proposed regulations will make other technical, conforming changes, such as adding and renumbering of sections and amending cross references as necessary.

The Department considered other possible related regulations in this area, and we find that these are the only regulations dealing in this subject area (CalWORKs Homeless Assistance) and, therefore, the Department finds that these proposed regulations are compatible and consistent with the intent of the Legislature in adopting AB 1603, as well as with existing state regulations.

Benefits Anticipated from Regulatory Action

This regulatory action will benefit CalWORKs recipients facing homelessness by providing additional HA benefits, if needed, by eliminating the once-in-a-lifetime restriction currently placed on CalWORKs HA and provides that CalWORKs HA is now available once every 12 months to eligible recipients. All of these changes will allow more low-income families to qualify for CalWORKs HA benefits and help them to achieve self-sufficiency. Thus, the proposed regulatory action creates a positive impact to public health and safety.

COST ESTIMATE

1. Costs or Savings to State Agencies: The 2017-18 Governor's Budget includes \$291,000 for FY 2016-17 and \$582,000 for FY 2017-18.
2. Costs to Local Agencies or School Districts Which Must Be Reimbursed in Accordance With Government Code (GC) sections 17500 - 17630: The 2017-18 Governor's Budget includes \$29,000 for FY 2016-17 and \$57,000 for FY 2017-18.
3. Nondiscretionary Costs or Savings to Local Agencies: None
4. Federal Funding to State Agencies: The 2017-18 Governor's Budget includes \$2,057,000 for FY 2016-17 and \$2,091,000 for FY 2017-18. This reflects federal funding (including state operations costs).

LOCAL MANDATE STATEMENT

These regulations do impose a mandate on local agencies, but not on school districts. If the Commission on State Mandates determines that these regulations contain reimbursable costs mandated by the state, reimbursement to local agencies for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the GC.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

The CDSS has determined that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This determination was made based on the proposed regulatory action, which was designed to impact only the CalWORKs population in order to aid them in achieving economic self-sufficiency.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

The CDSS has determined that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies.

STATEMENT OF RESULTS OF ECONOMIC IMPACT ASSESSMENT

The CDSS has made the initial determination there is no impact on California businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies. This analysis is intended to be a tool or baseline to establish that these regulatory measures are the most cost-effective to affected California enterprises and equally effective in implementing the statutory policy or other provision of law.

Creation or Elimination of Jobs Within the State of California

The proposed regulations include changes to CalWORKs recipients facing homelessness by eliminating the once-in-a-lifetime limit currently placed on CalWORKs HA and provides that CalWORKs HA is available once every 12 months to eligible recipients. In addition, the proposed regulations make technical, conforming changes, such as adding and renumbering of sections and amending cross references as necessary.

The proposed amendments will neither create or eliminate jobs in the State of California. The proposed regulations only pertain to current CalWORKs participants and are mandated by the State of California. Therefore, CDSS has determined that this regulatory proposal will not have an impact on the creation or elimination of jobs in the State of California.

Creation of New or Elimination of Existing Businesses Within the State of California

The proposed regulations include changes to CalWORKs HA by aiding CalWORKs recipients facing homelessness. This will be achieved by providing additional HA benefits, to those clients most in need, by eliminating the once-in-a-lifetime restriction currently placed on CalWORKs HA and provides HA once every 12 months to eligible recipients. In addition, the proposed regulations make technical, conforming changes, such as adding and renumbering of sections and amending cross references as necessary.

The proposed amendments will neither create or eliminate existing businesses in the State of California. The proposed regulations only pertain to current CalWORKs participants and are mandated by the State of California. In addition, the proposed regulation amendments regulate only CalWORKs participants, not businesses.

Expansion of Businesses or Elimination of Existing Businesses Within the State of California

The proposed amendments will neither expand or eliminate businesses in the State of California. The proposed regulations only pertain to current CalWORKs participants and are mandated by the State of California. In addition, the proposed regulation amendments regulate only CalWORKs participants, not businesses.

Benefits of the Regulations

These proposed regulations include amendments that will improve the health and welfare of California residents by providing CalWORKs recipients facing homelessness additional HA benefits. This is possible due to the elimination of the once-in-a-lifetime restriction currently placed on CalWORKs HA. CalWORKs HA is now available once every 12 months to eligible recipients. There are no additional benefits for worker safety or the state's environment, as the regulations only affect individuals participating in the CalWORKs program.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

The CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

AUTHORITY AND REFERENCE CITATIONS

The Department adopts these regulations under the authority granted in Sections 10553, 10554 and 11450(g) of the W&I Code. Subject regulations implement and make specific Section 11450 of the W&I Code, as adopted by AB 1603 (Chapter 25, Statutes of 2016).

CDSS REPRESENTATIVE REGARDING THE RULEMAKING PROCESS OF THE PROPOSED REGULATION

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Backup:	Ying Sun	(916) 657-2586

EMERGENCY STATEMENT

These regulations are to be adopted on an emergency basis. In order to allow interested persons an opportunity to submit statements or arguments concerning these regulations, they will be considered at public hearing in accordance with GC section 11346.4.